

Message Text

UNCLASSIFIED

PAGE 01 WELLIN 04638 142257Z
ACTION EA-09

INFO OCT-01 EUR-12 ISO-00 AID-05 CIAE-00 COME-00 EB-07
FRB-01 INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06
SP-02 CIEP-02 LAB-04 SIL-01 OMB-01 HUD-02 NSC-05
SS-15 STR-04 CEA-01 PA-02 PRS-01 /107 W
----- 130657 /22

R 140358Z DEC 76
FM AMEMBASSY WELLINGTON
TO SECSTATE WASHDC 2454
INFO AMEMBASSY CANBERRA
USMISSION OECD PARIS

UNCLAS WELLINGTON 4638

E.O. 11652: N/A
TAGS: EALR, EFIN, ECRE, NZ
SUBJECT: NEW GOVERNMENT INCENTIVES FOR NEW HOUSING CONSTRUCTION

REF: (A) WELLINGTON 2863, (B) WELLINGTON 3012

1. IN A MOVE TO GIVE A NEEDED BOOST TO HOUSING
CONSTRUCTION, THE GOVERNMENT HAS ANNOUNCED:

(A) AN INCREASE OF \$10 IN THE WEEKLY INCOME LIMIT
FOR FAMILY CAPITALIZATION, TO \$95, FOR A COUPLE WITH ONE
CHILD.

(B) AN INCREASE OF \$25 A WEEK IN THE INCOME LIMIT FOR
HOUSING CORPORATION CONCESSIONAL-INTEREST RATE (5.5 PER
CENT) LOANS TO \$115.

(C) AN INCREASE OF \$30 PER WEEK OF THE INCOME LIMIT FOR
CORPORATION SUPPLEMENTARY LOANS TO \$130.

(D) INCREASING THE MAXIMUM FOR HOUSING CORPORATION
SUPPLEMENTARY LOANS FROM \$4,000 TO \$6,000.

2. IT IS UNDERSTOOD THIS LATEST MOVE BY THE GOVERNMENT
IS THE RESULT OF URGENT BUILDING INDUSTRY REPRESENTATIONS
FOR THE PAST SEVERAL WEEKS TO THE MINISTER OF HOUSING,
MR. GAIR, IN WHICH THE INDUSTRY HAS WARNED THAT IT WAS
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 WELLIN 04638 142257Z

HEADING INTO SERIOUS ECONOMIC DIFFICULTIES

UNLESS SOMETHING WAS DONE TO GIVE HOUSING CONSTRUCTION
A BOOST.

3. THE LATEST GOVERNMENT RESPONSE, GIVING INCENTIVES TO HELP
THE LOW-INCOME HOME-SEEKERS GET NEW HOUSES HAS MET
WITH CAUTIOUS OPTIMISM FROM MOST SECTORS OF THE BUILDING
INDUSTRY. BUT SOME BUILDERS FEEL THE INCENTIVES SHOULD
HAVE BEEN GREATER. (ALSO SEE REFERENCE TO HOUSING POLICY
IN THE FY-77 BUDGET REPORTED IN REFTELS.)

4. ACCORDING TO A RECENT DEPARTMENT OF STATISTICS
RELEASE, PERMITS AUTHORIZING CONSTRUCTION OF 2,672 NEW
HOUSES AND APARTMENTS TALLING \$56.2 MILLION WERE
ISSUED IN OCTOBER 1976. THIS IS A DECREASE OF OVER
7 PER CENT IN THE NUMBER AND AN INCREASE OF 6 PER CENT IN
VALUE OVER OCTOBER 1975.

5. THE TOTAL NUMBER OF DWELLING UNITS AUTHORIZED
FOR THE 12 MONTHS ENDED OCTOBER 1976 ROSE TO 30,740
(VALUED AT \$616.5 MILLION) COMPARED WITH 30,925
(VALUED AT \$539.6 MILLION) FOR THE SAME PERIOD OF
1975 AND 36,805 (VALUED AT \$573.2 MILLION) FOR 1974.

6. ACTUAL DWELLING UNIT STARTS DURING OCTOBER 1976
REACHED 2,500 AND COMPLETIONS 2,300. THE COMPARABLE
FIGURES FOR OCTOBER 1975 WERE 2,700 AND 2,800.

7. HOPEFULLY, WITH THE LATEST INCENTIVES TO LOW
COST NEW HOUSING THE GOVERNMENT'S TARGET OF 28,000
TO 30,000 NEW HOUSES IN THE MARCH 1977 FINANCIAL YEAR
MAY STILL BE REACHED.
SELDEN

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: HOUSING, CONSTRUCTION, POLICIES
Control Number: n/a
Copy: SINGLE
Draft Date: 14 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976WELLIN04638
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760461-0119
From: WELLINGTON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761243/aaaabkwf.tel
Line Count: 93
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 WELLINGTON 2863, 76 WELLINGTON 3012
Review Action: RELEASED, APPROVED
Review Authority: schwenja
Review Comment: n/a
Review Content Flags:
Review Date: 14 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14 JUN 2004 by hattaycs>; APPROVED <19 AUG 2004 by schwenja>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: NEW GOVERNMENT INCENTIVES FOR NEW HOUSING CONSTRUCTION
TAGS: EALR, EFIN, ECRE, NZ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006